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BEFORE THE ARIZONA CORPORATION COMMISSION

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Commissioner
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Commissioner

IN THE MATTER OF THE
APPLICATION OF GILA LOCAL
EXCHANGE CARRIER FOR
CERTIFICATE OF CONVENIENCE
AND NECESSITY

) DOCKET NO. T-020515A-07-0133

)
)
) **GILA LOCAL EXCHANGE CARRIER**
) **NOTICE OF RESPONSES TO**
) **STAFF'S FIRST SET OF DATA**
) **REQUESTS**
)
)
)

Gila Local Exchange Carrier hereby files the attached Responses to Staff's

First Set of Data Requests as directed by the Procedural Order dated

October 5, 2007.

Arizona Corporation Commission

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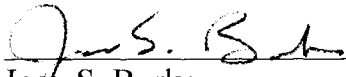
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RESPECTFULLY SUBMITTED this 12th day of October 2007.

OSBORN MALEDON, P.A.

By 
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12th day of October 2007:

Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix, AZ 85007



BEFORE THE ARIZONA CORPORATION COMMISSION

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IN THE MATTER OF THE APPLICATION
OF GILA LOCAL EXCHANGE CARRIER
FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY

) DOCKET NO. T-20515A-07-0133
)
) **GILA LOCAL EXCHANGE**
) **CARRIER RESPONSES TO**
) **STAFF'S FIRST SET OF DATA**
) **REQUESTS**
)

Gila Local Exchange Carrier ("GLEC"), hereby responds to Staff's First Set of Data
Requests sent by Commission Staff on March 30, 2007.

PRELIMINARY STATEMENT

Applicants reserve the right to amend, modify or supplement the information contained in these responses as new information becomes available. Additionally, these responses are without prejudice to Applicants' right to use or rely on any subsequently discovered information or facts, or information or facts omitted from these responses as a result of mistake, error, oversight or inadvertence.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

RESPONSES

JFB1-1. Your tariff indicates that you intend to offer private line service in Arizona. You did not indicate in Item (A-1) of your Application that you intend to offer private line service. Please revise your response to Item (A-1).

Response: Applicant intends to offer private line service and understood that private line services were encompassed by the category "Facilities-Based Local Exchange Telecommunications Services." In compliance with this data request, Applicant hereby amends its response to A-1 to include "Other" and specifically lists "Private Line Services."

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-2. In Item (A-9) you did not provide any reference by Tariff page number to the following information:

1. Proposed Rates and charges for each service offered (reference by Tariff page number).

Response: See Draft Tariff pages 30-53.

2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number).

Response: Because GLEC has not initiated service to any customers, and because the competitive market will greatly influence GLEC prices, Applicant does not have a firm price list. The upper limit of the rates the Applicant will charge are included in pages 30-53 of the draft tariff.

3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).

Response: See Draft Tariff pages 12-16.

4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number).

Response: See Draft Tariff pages 22-23.

5. The proposed fee that will be charged for returned checks (reference by Tariff page number).

Response: See Draft Tariff page 22 (Section 2.5.2(E)).

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-3. According to Item (A-19), please list the key personnel employed by the applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

Response: Michael H. Scully
Chief Executive Officer
15 years in the telecommunications industry
Manager operations of a regulated Independent Local Exchange Carrier

Richard Mathis
Chief Financial Officer
9 Years in the telecommunications industry
Finance and Accounting

Kevin A Durham
Assistant General Manager/Engineering Manager
21 Years experience
Manage, design and implement fiber and copper networks

James M Gunn
Director of Network Operations
20 yrs in business
Manage daily Network Operations, IT Department and Central office.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-4. In Item (B-2) you did not include "Attachment D".

Since you are relying on the financial resources of Gila River Telecommunications, Inc., parent company, provide the parent company's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

Note: Make sure "most recent years" includes current calendar year or current year reporting period.

Response: Redacted; Exhibit A Redacted

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-5. In Item (E-3) you indicated that the GLEC does not own a switch that is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A). Since the parent company, GRTI, owns the switch that is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A), does that mean that GRTI's switch will be available to GLEC? Please mark the appropriate box.

Response: ☒ Yes ☐ No

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-6. In ACC Tariff No. 1, you indicated that you want to provide private line services in Arizona. For each type of tariffed service, please answer the set of questions JFB1-7 through JFB1-10.

Response: See responses to JFB1-7 through JFB1-10.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-7. Please explain how your company calculated the actual maximum and actual minimum rates that will be contained in your tariffs for private line service.

Response: GLEC submitted a draft tariff with its application and is in the process of evaluating exactly what services and products it will offer. GLEC will provide products and services to customers who already have numerous provider options. These services, including the private line service, have already been declared competitive by the Arizona Corporation Commission. In preparing its initial draft tariff, GLEC looked to the maximum rates of numerous other competitive providers and set rates commensurate with those rates. The rates included in the GLEC draft tariff are designed to set a rate ceiling, but in practice the market will drive the actual price of the service or product.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-8. Please indicate why you believe that your range of rates is just and reasonable using a competitive market analysis. Your analysis should contain publicly available examples of tariff rates and charges charged by the incumbent and other carriers for similar services. Include supporting material and any other information that you believe demonstrates that your actual or proposed tariff rates and charges are just and reasonable.

Use a matrix format to list GLEC's proposed services, rates and/or charges. Based on the Applicant's tariff, list all the private line services GLEC will provide in Arizona. For each of the private line services listed, list the rate and/or charge of each service and reference each service, rate and/or charge to GLEC's tariff. Provide GLEC's tariff pages that support each GLEC's services, rates and/or charges.

Use a matrix format to capture GLEC's list of private line services that will be provided in Arizona, show each competitor's tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to each competitor's tariff. Provide tariff pages of each competitor that support each competitor's services, rates and/or charges offering the same or similar telecommunications services in Arizona.

At a minimum, show a complete set of tariff information of Qwest, Cox Telcom and two other competitors in Arizona. For a list of telecommunications carriers certificated in Arizona, go to www.cc.state.az.us/utility/utility. For a list of telecommunications carriers' tariff rates and charges, go to www.cc.state.az.us/utility/tariffs.

The material you provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to other competitors offering the same or similar telecommunications services in Arizona.

Response: See Matrix attached at Exhibit B (Redacted). The rates and charges proposed by Gila Local Exchange Carrier re reasonable and comparable to rates charged by other carriers in the private line market.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-9. Please indicate why you believe that your range of rates is just and reasonable using a fair value or cost basis. Please include economic justification or cost support data. Please include any supporting materials.

Response: GLEC has not yet entered the market, thus it is not possible for GLEC to provide historic cost support data nor can it base its prices on prior costs. Fair value is similarly inapposite in a competitive market. While the Commission may be under an obligation to find fair value in advance of approving rates, it is not obliged to use that fair value to set rates (or to justify the rates based on the fair value). In a competitive environment, the Commission has regularly concluded that a carrier rate comparison is a fair and reasonable way to evaluate rates charged by competitive providers. The Private Line Services Matrix provides such a comparison. The range of rates included in the Private Line Services matrix reflects prices/rates of a wide cross-section of carrier rates. GLEC will compete against these carriers and will not succeed in developing a customer base if its rates are not within this range. GLEC also expects to do business with Independent Telephone companies required to adhere with NECA Tariffs and not subject to competitive rate structures. The NECA Tariffed rates are available at the NECA web-site:
http://www.neca.org/source/NECA_AccessSupport_208.asp

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-10. **Use a matrix format to capture GLEC's list of private line services that will be provided in Arizona.** Identify other states/jurisdictions in which your company or an affiliate company is providing or applying to provide private line services.

For each private line that will be provided in Arizona, list GLEC's or affiliates' rates and/or charges that are or will be charged in other states or jurisdictions. Show for each state or jurisdiction the tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to GLEC's or affiliate's tariff. Provide GLEC's or affiliate's tariff pages that support GLEC's or each affiliate's services, rates and/or charges that are or will be charged in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

If there is a difference between the tariff rates and charges that GLEC or an affiliate charges or will charge in Arizona and the tariff rates and charges that GLEC or affiliate charges or will charge in other states or jurisdictions for private line services: please identify the service, indicate the amount of the difference and explain why you are charging different tariff rates and charges in Arizona.

At a minimum, show a complete set of tariff information of Arizona and three other states or jurisdiction.

The material you provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to the tariff rates and charges that are or will be charged in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

Response: **GLEC does not provide (and has no plans to provide) telecommunications service outside Arizona.**

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-11. In your Application, you indicated that you want to provide facilities-based local exchange in Arizona. For each type of tariffed service, please answer the set of questions JFB1-12 through JFB1-15.

Response: See responses to JFB1-12 through JFB1-15.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-12. Please explain how your company calculated the actual maximum and actual minimum rates that will be contained in your tariffs for facilities-based local exchange.

Response: GLEC has not yet entered the market and thus could not rely on historic costs in calculating maximum rates included in the draft tariff. Instead, GLEC compared the tariffed rates (and in some cases the prices) charged by competitive carriers. Because GLEC also expects to do business with Independent Telephone companies, it also evaluated NECA and ACC tariff rates in setting rates for its proposed products and services.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-13. Please indicate why you believe that your range of rates is just and reasonable using a competitive market analysis. Your analysis should contain publicly available examples of tariff rates and charges charged by the incumbent and other carriers for similar services. Include supporting material and any other information that you believe demonstrates that your actual or proposed tariff rates and charges are just and reasonable.

Use a matrix format to list GLEC's proposed services, rates and/or charges. Based on the Applicant's tariff, list all the facilities-based local exchange services GLEC will provide in Arizona. For each of the facilities-based local exchange services listed, list the rate and/or charge of each service and reference each service, rate and/or charge of each service and reference each service, rate and/or charge to GLEC's tariff. Provide GLEC's tariff pages that support each GLEC's services, rates and/or charges.

Use a matrix format to capture GLEC's list of facilities-based local exchange services that will be provided in Arizona, show each competitor's tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to each competitor's tariff. Provide tariff pages of each competitor that support each competitor's tariff. Provide tariff pages of each competitor that support each competitor's services, rates and/or charges offering the same or similar telecommunications services in Arizona.

At a minimum, show a complete set of tariff information of Qwest, Cox Telcom and two other competitors in Arizona. For a list of telecommunications carriers certificated in Arizona, go to www.cc.state.az.us/utility/utility. For a list of telecommunications carriers' tariff rates and charges, go to www.cc.state.az.us/utility/tariffs.

The material you provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to other competitors offering the same or similar telecommunications services in Arizona.

Response: See the Local Exchange Service Matrix attached at Exhibit C.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-14. Please indicate why you believe that your range of rates is just and reasonable using a fair value or cost basis. Please include economic justification or cost support data. Please include any supporting materials.

Response: GLEC has not yet entered the market, thus it is not possible for GLEC to provide historic cost support data nor can it base its prices on prior costs. Fair value is similarly inapposite in a competitive market. While the Commission may be under an obligation to find fair value in advance of approving rates, it is not obliged to use that fair value to set rates (or to justify the rates based on the fair value). In competitive environment, the Commission has regularly concluded that a carrier rate comparison is a fair and reasonable way to evaluate rates charged by competitive providers. The Local Exchange Service Matrix provides such a comparison. The range of rates included in the Local Exchange Service Matrix reflects prices/rates of a wide cross-section of carrier rates. GLEC will compete against these carriers and will not succeed in developing a customer base if its rates are not within this range.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-15. Use a matrix format to capture GLEC's list of facilities-based local exchange services that will be provided in Arizona.
Identify other states/jurisdictions in which your company or an affiliate company is providing or applying to provide facilities-based local exchange services.

For each such facilities-based local exchange service that will be provided in Arizona, list GLEC's or affiliates' rates and/or charges that are or will be charged in other states or jurisdictions. Show for each state or jurisdiction the tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to GLEC's or each affiliate's tariff. Provide GLEC's or affiliate's tariff pages that support GLEC's or each affiliate's tariff. Provide GLEC's or affiliate's tariff pages that support GLEC's or each affiliate's services, rates and/or charges that are or will be charged in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

If there is a difference between the tariff rates and charges that GLEC or an affiliate charges or will charge in Arizona and the tariff rates and charges that GLEC or affiliate charges or will charge in other states or jurisdictions for facilities-based local exchange services: please identify the service, indicate the amount of the difference and explain why you are charging different tariff rates and charges in Arizona.

At a minimum, show a complete set of tariff information of Arizona and three other states or jurisdiction.

The material you provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to the tariff rates and charges that are or will be charged in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

Response: GLEC does not provide (and has no plans to provide) telecommunications service outside Arizona.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-16. In your Application, you indicated that you want to provide resold local exchange services in Arizona. For each type of tariffed service, please answer the set of questions JFB1-17 through JFB1-20.

Response: See responses to JFB1-17 through JFB1-20.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-17. Please explain how your company calculated the actual maximum and actual minimum rates that will be contained in your tariffs for resold local exchange services.

Response: GLEC has not yet entered the market and thus could not rely on historic costs in calculating maximum rates included in the draft tariff. Instead, GLEC compared the tariffed rates (and in some cases the prices) charged by competitive carriers. Because GLEC also expects to do business with Independent Telephone companies, it also evaluated NECA and ACC tariff rates in setting rates for its proposed products and services.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-18. Please indicate why you believe that your range of rates is just and reasonable using a competitive market analysis. Your analysis should contain publicly available examples of tariff rates and charges charged by the incumbent and other carriers for similar services. Include supporting material and any other information that you believe demonstrates that your actual or proposed tariff rates and charges are just and reasonable.

Use a matrix format to list GLEC's proposed services, rates and/or charges. Based on the Applicant's tariff, list all the resold local exchange services GLEC will provide in Arizona. For each of the resold local exchange services listed, list the rate and/or charge of each service and reference each service, rate and/or charge to GLEC's tariff. Provide GLEC's tariff pages that support each GLEC's services, rates and/or charges.

Use a matrix format to capture GLEC's list of resold local exchange services that will be provided in Arizona, show each competitor's tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to each competitor's tariff. Provide tariff pages of each competitor that support each competitor's services, rates and/or charges offering the same or similar telecommunications services in Arizona.

At a minimum, show a complete set of tariff information of Qwest, Cox Telcom and two other competitors in Arizona. For a list of telecommunications carriers certificated in Arizona, go to www.cc.state.az.us/utility/utility. For a list of telecommunications carriers' tariff rates and charges, go to www.cc.state.az.us/utility/tariffs.

The material you provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to other competitors offering the same or similar telecommunications services in Arizona.

Response: GLEC will not distinguish, in its tariff, between facilities-based and resold services. Please see the Local Exchange Service Matrix at Exhibit C.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-19. Please indicate why you believe that your range of rates is just and reasonable using a fair value or cost basis. Please include economic justification or cost support data. Please include any supporting materials.

Response: GLEC has not yet entered the market, thus it is not possible for GLEC to provide historic cost support data nor can it base its prices on prior costs. Fair value is similarly inapposite in a competitive market. While the Commission may be under an obligation to find fair value in advance of approving rates, it is not obliged to use that fair value to set rates (or to justify the rates based on the fair value). In competitive environment, the Commission has regularly concluded that a carrier rate comparison is a fair and reasonable way to evaluate rates charged by competitive providers. The Local Exchange Service Matrix provides such a comparison. The range of rates included in the Local Exchange Service Matrix reflects prices/rates of a wide cross-section of carrier rates. GLEC will compete against these carriers and will not succeed in developing a customer base if its rates are not within the competitive range.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-20. Use a matrix format to capture GLEC's list of resold local exchange services that will be provided in Arizona. Identify other states/jurisdictions in which your company or an affiliate company is providing or applying to provide resold local exchange services.

For each resold local exchange service that will be provided in Arizona, list GLEC's or affiliates' rates and/or charges that are or will be charged in other states or jurisdictions. Show for each state or jurisdiction the tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to GLEC's or each affiliate's tariff. Provide GLEC's or affiliate's tariff pages that support GLEC's or each affiliate's services, rates and/or charges that are or will be charged in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

If there is a difference between the tariff rates and charges that GLEC or an affiliate charges or will charge in Arizona and the tariff rates and charges that GLEC or affiliate charges or will charge in other states or jurisdictions for resold local exchange services: please identify the service, indicate the amount of the difference and explain why you are charging different tariff rates and charges in Arizona.

At a minimum, show a complete set of tariff information of Arizona and three other states or jurisdiction.

The material you provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to the tariff rates and charges that are or will be charged in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

Response: GLEC does not provide (and has no plans to provide) telecommunications service outside Arizona.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-21. In your Application, you indicated that you want to provide resold local exchange services in Arizona. For each type of tariffed service, please answer the set of questions JFB1-22 through JFB1-25.

Response: See responses to JFB1-22 through JFB1-25

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-22. Please explain how your company calculated the actual maximum and actual minimum rates that will be contained in your tariffs for resold interexchange services.

Response: GLEC has not yet entered the market and thus could not rely on historic costs in calculating maximum rates included in the draft tariff. Instead, GLEC compared the tariffed rates (and in some cases the prices) charged by competitive carriers. Because GLEC also expects to do business with Independent Telephone companies, it also evaluated NECA and ACC tariff rates in setting rates for its proposed products and services.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-23. Please indicate why you believe that your range of rates is just and reasonable using a competitive market analysis. Your analysis should contain publicly available examples of tariff rates and charges charged by the incumbent and other carriers for similar services. Include supporting material and any other information that you believe demonstrates that your actual or proposed tariff rates and charges are just and reasonable.

Use a matrix format to list GLEC's proposed services, rates and/or charges. Based on the Applicant's tariff, list all the resold interexchange services GLEC will provide in Arizona. For each of the resold interexchange services listed, list the rate and/or charge of each service and reference each service, rate and/or charge to GLEC's tariff. Provide GLEC's tariff pages that support each GLEC's services, rates and/or charges.

Use a matrix format to capture GLEC's list of resold interexchange services that will be provided in Arizona, show each competitor's tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to each competitor's tariff. Provide tariff pages of each competitor that support each competitor's services, rates and/or charges offering the same or similar telecommunications services in Arizona.

At a minimum, show a complete set of tariff information of Qwest, Cox Telcom and two other competitors in Arizona. For a list of telecommunications carriers certificated in Arizona, go to www.cc.state.az.us/utility/utility. For a list of telecommunications carriers' tariff rates and charges, go to www.cc.state.az.us/utility/tariffs.

The material you provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to other competitors offering the same or similar telecommunications services in Arizona

Response: **GLEC will not distinguish, in its tariff, between intrastate facilities-based and intrastate resold services. Most interexchange services are not tariffed. GLEC will set prices that are competitive based on market conditions. Attached at Exhibit D is an interexchange service provider rate table which provides a comparison of various rates/packages offered by Arizona interexchange providers.**

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-24. Please indicate why you believe that your range of rates is just and reasonable using a fair value or cost basis. Please include economic justification or cost support data. Please include any supporting materials.

Response: Please see response to Data Request JFB1-19.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-25. **Use a matrix format to capture GLEC's list of resold interexchange services that will be provided in Arizona.** Identify other states/jurisdictions in which your company or an affiliate company is providing or applying to provide resold interexchange services.

For each resold interexchange service that will be provided in Arizona, list GLEC's or affiliates' rates and/or charges that are or will be charged in other states or jurisdictions. Show for each state or jurisdiction the tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to GLEC's or each affiliate's tariff. Provide GLEC's or affiliate's tariff pages that support GLEC's or each affiliates' services, rates and/or charges that are or will be charged in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

If there is a difference between the tariff rates and charges that GLEC or an affiliate charges or will charge in Arizona and the tariff rates and charges that GLEC or affiliate charges or will charge in other states or jurisdictions for resold interexchange services: please identify the service, indicate the amount of the difference and explain why you are charging different tariff rates and charges in Arizona.

At a minimum, show a complete set of tariff information of Arizona and three other states or jurisdiction.

The material you provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to the tariff rates and charges that are or will be charged in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

Response: **GLEC does not provide (and has no plans to provide) telecommunications service outside Arizona.**

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-26. In your Application, you indicated that you want to provide facilities-based interexchange in Arizona. For each type of tariffed service, please answer the set of questions JFB1-27 through JFB1-30.

Response: See responses to JFB1-27 through JFB1-30.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-27. Please explain how your company calculated the actual maximum and actual minimum rates that will be contained in your tariffs for facilities-based interexchange local exchange.

Response: GLEC has not yet entered the market and thus could not rely on historic costs in calculating maximum rates included in its draft tariff. Instead, GLEC compared the tariffed rates (and in some cases the prices) charged by competitive carriers. Because GLEC also expects to do business with Independent Telephone companies, it also evaluated NECA and ACC tariff rates in setting rates for its proposed products and services.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-28. Please indicate why you believe that your range of rates is just and reasonable using a competitive market analysis. Your analysis should contain publicly available examples of tariff rates and charges charged by the incumbent and other carriers for similar services. Include supporting material and any other information that you believe demonstrates that your actual or proposed tariff rates and charges are just and reasonable.

Use a matrix format to list GLEC's proposed services, rates and/or charges. Based on the Applicant's tariff, list all the facilities-based interexchange services GLEC will provide in Arizona. For each of the facilities-based interexchange services listed, list the rate and/or charge of each service and reference each service, rate and/or charge to GLEC's tariff. Provide GLEC's tariff pages that support each GLEC's services, rates and/or charges.

Use a matrix format to capture GLEC's list of facilities-based interexchange services that will be provided in Arizona, show each competitor's tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to each competitor's tariff. Provide tariff pages of each competitor that support each competitor's services, rates and/or charges offering the same or similar telecommunications services in Arizona.

At a minimum, show a complete set of tariff information of Qwest, Cox Telcom and two other competitors in Arizona. For a list of telecommunications carriers certificated in Arizona, go to www.cc.state.az.us/utility/utility. For a list of telecommunications carriers' tariff rates and charges, go to www.cc.state.az.us/utility/tariffs.

The material your provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to other competitors offering the same or similar telecommunications services in Arizona.

Response: GLEC will not distinguish, in its tariff, between intrastate facilities-based and intrastate resold services. Most interexchange services are not tariffed. GLEC will set prices that are competitive based on market conditions. Attached at Exhibit D is an interexchange service provider rate table which provides a comparison of various rates/packages offered by Arizona interexchange providers.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-29. Please indicate why you believe that your range of rates is just and reasonable using a fair value or cost basis. Please include economic justification or cost support data. Please include any supporting materials.

Response: Please see response to Data Request JFB1-19.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-30. Use matrix format to capture GLEC's list of facilities-based interexchange services that will be provided in Arizona.

Identify other states/jurisdictions in which your company or an affiliate company is providing or applying to provide facilities-based interexchange services.

For each facilities-based interexchange service that will be provided in Arizona, list GLEC's or affiliates' rates and/or charges that are or will be charged in other states or jurisdictions. Show for each state or jurisdiction the tariff rates and/or charges for the same or comparable services and reference each service, rate and/or charge to GLEC's or each affiliate's tariff. Provide GLEC's or affiliate's tariff pages that support GLEC's or each affiliate's services, rates and/or charges that are or will be charge in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

If there is a difference between the tariff rates and charges that GLEC or an affiliate charges or will charge in Arizona and the tariff rates and charges that GLEC or affiliate charges or will charge in other states or jurisdictions for facilities-based interexchange services: please identify the service, indicate the amount of the difference and explain why you are charging different tariff rates and charges in Arizona.

At a minimum, show a complete set of tariff information of Arizona and three other states or jurisdiction.

The material your provide should enable Staff to determine whether the proposed tariff rates and/or charges of the Applicant are identical or just and reasonable compared to the tariff rates and charges that are or will be charged in other states or jurisdiction offering the same or similar telecommunications services in Arizona.

Response: GLEC does not provide (and has no plans to provide) telecommunications service outside Arizona.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-31. Do you intend to offer switched or special access services to other carriers or providers? If so, have you or do you intend to file and access tariff for these services?

Response: **Yes, GLEC will offer switched and special access services to other carriers. We will file all necessary tariffs prior to billing any switched or special access services.**

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-32. Please confirm or deny that your company intends to provide service to both retail end-users and other carriers.

Response: GLEC will provide service to both retail end-users and other carriers.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-33. Please indicate if you are or will be providing interexchange telecommunications services to retail customers in Arizona.

Response: Yes.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-34. Please indicate if you are or will be providing interexchange telecommunications services to wholesale customers in Arizona.

Response: Yes.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-36. For each type of telecommunications services that you want to provide in Arizona, indicate the Tariff and Section number(s) in the tariff that address resold local exchange, facilities-based local exchange, resold interexchange, and private line services.

Response: Private line services are addressed in section 5.5 of the proposed tariff. The GLEC tariff does not differentiate between resold and facilities-based services. In other words, the tariff lists "Local Exchange Service" (section 4) but does not differentiate between service provisioned via GLEC facilities and services provisioned via leased lines.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-37. Does Gila River Telecommunications, Inc. provide telecommunications in Arizona? If so, what type of service(s) does it provide? Also, how many customers does Gila River Telecommunications, Inc. provide service to each month?

Response: Yes, Gila River Telecommunications, Inc. ("GRTI") provides telecommunications in Arizona. GRTI is chartered and wholly-owned by the Gila River Indian Community. Both GRTI and the Gila River Indian Community are sovereign entities and are not regulated by the Arizona Corporation Commission. The GRTI records, which include customer numbers and services, are confidential.

**RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO APPLICANTS**

JFB1-38. Submit a PDF file of your responses to this data request to
jbostwick@cc.state.az.us.

Response: **A hard-copy and a searchable electronic (PDF) file of these
responses will be submitted to Mr. Bostwick.**

Exhibit A - REDACTED

Exhibit B - REDACTED

Exhibit C

Local Exchange Service Matrix

PRODUCTS	PUGC MAXIMUM CHARGE	GLEC PRICING	QWEST RETAIL COST	INTEGRA COST	XO COMMUNICATIONS COST	COX COMMUNICATIONS COST
Local Access Line	\$120.00	\$60.00	\$30.40	\$32.99	\$31.87	\$28.00
Service Connection Fee	\$200.00	\$150.00	\$42.50	\$45.00	\$48.00	\$45.00
Dispatch call and trouble isolated on customer's equipment	\$160.00		\$95.00	\$100.00	\$112.00 Initial Hour, \$45.00 Addl 30 minutes	\$45.00 but TBD on circumstance
Telephone number Change order	\$55.00		\$27.50		\$35.00	\$25.00 (Possible to be waived depending on circumstance)
Feature change order	\$55.00		\$13.00		\$25.00	\$25.00 (Possible to be waived depending on circumstance)
Toll Restriction Fee Order	\$55.00		\$5.00		\$0.00 at install/ \$25 after install	\$3.50
Record Order Change	\$45.00		\$0.00		\$15.00	\$25.00 (Possible to be waived depending on circumstance)
Transfer of Service (move order)	\$130.00		\$42.50		\$48.00	\$5.00 (Possible to be waived depending on circumstance)
Long distance pic code change PIC	\$55.00		\$5.00		\$5.00	\$5.00 (Possible to be waived depending on circumstance)
Long distance pic code change LPIC	\$55.00		\$5.00		\$5.00	\$5.00 (Possible to be waived depending on circumstance)
Duplicate Invoice	\$0.00		\$0.00		\$0.00	TBD
Restore of Service	\$10.00	\$100.00	\$27.50		\$20.00	TBD
Temporary Suspension Fee	50% of the regular line rate		50% of the regular line rate		N/A	TBD
Payphone Surcharge	\$1.00		\$1.00		\$0.50	
FEATURES:						
Return Call	\$1.50 per call maxed out at \$12.00		\$0.75 per call maxed out at \$6.00		\$3.00 per call	
Call Trace	\$4.00 per trace maxed out at \$12.00		\$2.00 per successful trace		N/A	
Repeat Dialing	\$1.50 per call maxed out at \$12.00		\$0.75 per call maxed out at \$6.00		\$3.00 per call	
Three Way Calling	\$1.50 per call maxed out at \$12.00	\$12.00	\$0.75 per call maxed out at \$6.00	\$3.50	No charge	
Caller ID Blocking	No charge if established on original order, otherwise a \$10.95 one-time charge	\$12.00	No charge if established on original order, otherwise a \$10.95 one-time charge		No charge	NC
Per Call Blocking	No charge	\$12.00	No charge	No charge	No charge	NC
Per line unblocking	No charge		No charge		No charge	
SPEED CALLING						
8 Number	\$12.00	\$12.00	\$2.50	\$2.75	\$3.00	\$3.50
30 Number	\$12.00		\$4.00	\$3.00	\$4.00	\$4.25
CALLING FORWARDING						
Variable	\$12.00	\$12.00	\$4.30	\$3.50	No charge	\$3.50
Busy Line (expanded)	\$12.00		\$2.50		N/A	\$3.50
Busy Line (overflow)	\$12.00		\$2.50	\$2.50	N/A	\$3.50
Busy Line (Programmable)	\$12.00	\$12.00	\$2.50	\$2.50	No charge	\$3.50
Don't Answer	\$12.00		\$3.50	\$2.50	N/A	\$3.50
Don't Answer (expanded)	\$12.00		\$3.50		N/A	\$3.50

Local Exchange Service Matrix

PRODUCTS	PUC MAXIMUM CHARGE	GLEC PRICING	QWEST RETAIL COST	INTEGRA COST	XO COMMUNICATIONS COST	COX COMMUNICATIONS COST
Don't Answer (overflow)	\$12.00		\$3.50		N/A	\$3.50
Busy Line/Don't Answer	\$12.00		\$5.00		No charge	\$3.50
Busy Line (external)/DA	\$12.00		\$5.00		N/A	\$3.50
Call Rejection	\$12.00		\$4.00	\$0.00	\$4.00	\$3.50
Call Waiting	\$12.00	\$12.00	\$7.00	\$3.50	\$6.00	\$7.00
Call Transfer	\$12.00		\$5.50	\$3.50	No charge	\$7.00
CALLER ID						
Name and Number	\$12.00		\$7.45	\$6.00	No charge	\$7.00
Number	\$12.00	\$12.00	\$7.45	\$5.50	No charge	\$7.00
Continuous Redial	\$12.00		\$3.00	\$3.00	N/A	\$3.50
Distinctive Alert 1st Line	\$12.00		\$6.95	\$3.00	N/A	\$3.50
Distinctive Alert each additional	\$12.00		\$4.75	\$3.00	N/A	\$3.50
Hot Line	\$12.00		\$1.75		\$4.00	\$3.50
Priority call	\$12.00		\$3.00		N/A	\$3.50
Remote Access Forwarding	\$12.00		\$7.25	\$3.00	\$7.00	\$3.50
Selective Call Forwarding	\$12.00		\$3.00		\$7.00	\$3.50
Directory Assistance	\$2.00 per use/no maximum		\$1.25 per use	\$1.75 per use	\$1.25 per use	\$1.25
Directory Assistance via the operator	\$3.00 per use/no maximum		\$1.25 per use	\$1.75 per use	\$1.25 per use	\$1.25
MISCELLANEOUS SERVICES AND RATES						
Customer dialed calling card	\$4.50	\$10.00	\$0.50 per call		\$1.50	
Customer dialed/Operator Assisted Calling	\$6.05	\$12.00	\$0.50 per call		\$1.50	
Card						
Collect	\$3.30	\$10.00	\$3.30	\$3.10	\$3.50	\$2.00
Third Party Billed	\$3.30	\$10.00	\$3.30	\$3.10	\$1.30	\$2.00
Person-to-Person	\$6.50	\$24.00	\$6.50	\$5.25	\$4.50	\$4.00
Busy Line Verification per request	\$12.00		\$3.00		\$3.00	\$5.00
Emergency Interruption	\$6.00	\$24.00	\$6.00		\$6.00	\$5.00
Presubscription Charge	\$10.00		\$2.45		\$5.00 per line	\$0.00
900/976 Block	\$0.00		\$0.00		\$0.00	\$0.00
Blocking of dial around	\$0.20 per month and \$6.00 install		\$5.00 per month and \$27.50 install	\$0.00/\$150 install	\$0.00	\$5.00
LISTINGS						
Directory Listing Service	\$0.00		\$0.00	\$4.00	\$0.00	\$0.00
Primary Listing	\$0.00	\$10.00	\$0.00	\$0.00	\$0.00	\$0.00
Non Published	\$3.60	\$7.00	\$1.55	\$1.75	\$1.80	\$2.00
Toll Free Directory Listings	\$30.00		\$2.50	\$27.00 Mo.	\$10.00	\$14.50
Straight Line Under Directory Listing (indent listing)	\$10.00		\$2.50		\$0.00	
Primary Listing	\$10.00		\$5.00		\$0.00	
Basic Intercept Service	\$0.00		\$0.00		\$0.00	

Local Exchange Service Matrix

PRODUCTS	PUC MAXIMUM CHARGE	GLEC PRICING	QWEST RETAIL COST	INTEGRA COST	XO COMMUNICATIONS COST	COX COMMUNICATIONS COST
SPLIT REFERRAL INTERCEPT SERVICE						
3 Months	\$250.00		\$125.00		\$0.00	
6 months	\$490.00		\$245.00		\$45.00	
9 months	\$730.00		\$365.00		\$65.00	
12 months	\$980.00		\$490.00		\$65.00	
DID NUMBERS						
Block of 20 DID numbers	\$6.00	\$12.00	\$3.00		\$2.40	\$3.00
Individual DID number	\$0.30		\$0.15	\$0.15	\$0.12	\$0.15
DID Trunk Termination	\$90.00		\$24.00	\$9.00	\$48.00	
PRI SERVICE WITH UNLIMITED LOCAL CALLING						
12 month	ICB		\$975.00		\$787.50	\$903.00
24 month	ICB		\$825.00		\$669.90	\$720.00
36 month	ICB		\$800.00		\$618.45	\$659.00
Non-Recurring on a PRI install	ICB		Waived all terms		Waived all terms	Based upon Term
Order Cancellation Charge	ICB		\$1,500.00		N/A	TBD
Order Sup Charge	ICB		Waived for 30 days then sent to billing		\$50.00	
DSS SERVICE WITH UNLIMITED LOCAL CALLING						
12 month	ICB		\$800.00		\$787.50	N/A
24 month	ICB		\$625.00		\$669.90	N/A
36 month	ICB		\$600.00		\$618.45	N/A
Non-Recurring on a DSS install	ICB		Waived all terms		Waived all terms	N/A
Order Cancellation Charge	ICB		\$1,500.00		N/A	N/A
Order Sup Charge	ICB		Waived for 30 days then sent to billing		\$50.00	N/A

Exhibit D

Long Distance Providers in Arizona: Rate Comparison

Dial-1 Rates (long distance)

Company	Per Minute Rate	Monthly Recurring Charge (or minimum monthly usage)
AT&T	\$0.07	\$4.95
Cox	\$0.12	\$0.00
Qwest	\$0.05	\$4.99
Embarq/Sprint	\$0.07	\$4.95
Verizon	\$0.09	\$9.99